



Non-State Capital Outlay Training Manual

Chapter 2: Development and Enactment

Key Points – Development

Development of the Capital Outlay Bill (“the Bill”) begins with the submission of capital outlay requests from state agencies and non-state entities.

- To be included in the Capital Outlay Bill, a request must be submitted in accordance with the provisions of R.S. 39:101 and 39:102. It should be timely and include all statutory information.
- The Bill (always House Bill 2) becomes the Capital Outlay Act (“the Act”) upon the Governor’s signature.
- You may be contacted by Capital Outlay staff members requesting additional information if your request does not appear to contain all statutorily required information or if some of the information provided is unclear. Cooperate with the analysts and respond promptly. They are trying to ensure that we have all information necessary for the consideration of your request.
- Section One of the Act indicates appropriations for the projects listed, not the funding. Projects showing General Obligation Bond appropriations are not “funded” until they receive a line of credit. Projects with State General Fund appropriations are “funded” upon enactment of the Capital Outlay budget.

Capital Outlay Request Deadlines

- All requests, State and Non-State, are due **November 1**. However, legislators elected after November 1 can submit requests until December 15th
- Otherwise, any request submitted **after November 1** must be:
 - Certified as an **economic development** project by the Secretary of the Department of Economic Development; **OR**
 - Approved by the Commissioner of Administration as an **emergency** project; **OR**
 - Additionally, for Non-State projects only, approved by the Joint Legislative Committee on Capital Outlay no later than **February 1**. These projects must be non-state entity project with a **total project cost** of less than \$1M.

“Economic Development” projects must be:

- Improvements **on public or government owned property** for the purposes of attracting or retaining a specific new or existing manufacturing or business operation that benefits Louisiana; **OR**
- Facilities or improvements **on public or government owned property** that generate new, permanent employment or which help retain existing employment; **OR**
- Facilities or infrastructure improvements **on public or government owned property** necessary for the manufacturing plant or business to operate.

“Emergency” projects must be essential to alleviate conditions that are hazardous to life, health or property and court mandates.

Legislative Letter of Support

For Non-State Projects

(Not Required for State Projects)

The Capital Outlay statute requires legislative support for Capital Outlay requests submitted by non-state entities. A letter of support is needed for each project from the State Representative and/or State Senator who represents the project's location.

This letter must be received by FP&C by the Capital Outlay deadline of November 1st.

Please encourage your legislator(s) to refer to the project(s) using the agency number (ex. 50-NZZ), project title and 6-digit eCORTS ID (ex. 543999) of each project being supported.

The letter should be addressed to the current Commissioner of Administration and must include the legislator's signature, but can be submitted by fax to 225-342-7624 or email (capitaloutlay@la.gov). A copy should be sent to **EACH** of the following addresses:

Facility Planning and Control
Capital Outlay Section
Post Office Box 94095
Baton Rouge, LA 70804-9095

Legislative Fiscal Office
Post Office Box 94097
Baton Rouge, LA 70804-9097

Senate Committee on Rev. & Fiscal Affairs
Post Office Box 94183
Baton Rouge, LA 70804-9183

Senate Committee on Finance
Post Office Box 94183
Baton Rouge, LA 70804-9183

Joint Legislative Committee on Capital Outlay
House Committee on Ways and Means
House Committee on Appropriations
P.O. Box 44486
Baton Rouge, LA 70804-4486

Statutorily Required Information

The R.S. 39:102 requires that **all** requests include “a detailed project description and justification”. These requirements are coded to the sample Capital Outlay Request included in this chapter.

This detailed description is to include:

- A.** **Needs Analysis** with corroborative data (What evidence do you have that this project is needed?)
- B.** Reasonable **Time Estimate** of the date when the project is needed (Immediately, within the next five years, after the next five years)
- C.** Proposed **Location** (Where will the project be located?)
- D.** Estimated **Project Cost** including construction cost (How much will it cost to build/renovate/repair the facility or structure? How did you arrive at this estimate?) and fixed equipment and furnishing costs.
- E.** Estimated Cost of Opening and Operating the Facility for the first year (the **Operating Budget**) and estimated annual operating and maintenance costs for each year thereafter based on a five year budget.
- F.** Method and source of financing for the next five years – the **Proposed New Funding Budget**. (For Non-State projects: How much do you anticipate providing for your local match?) How much are you requesting in State funds? Do you have any other sources of funding (e.g. Federal grants, etc.)
- G.** Estimated **Completion** date
- H.** Identification and description of other **similar facilities** and projects in the area AND an evaluation of their capabilities to meet needs
- I.** Indication of the order of **Priority** in relation to other requests that you have submitted

Project ID #####
Project Level Agency
AGENCY NAME
AGENCY NUMBER – PROJECT TITLE

CAPITAL OUTLAY REQUEST

FISCAL YEAR 2015-2016

<http://www.state.la.us/ecorts/>
REVISED VERSION

Project

Page 1

Title

Location

State IDs

☐
☐
☐

Emergency Project
Current Project Requirements
Anticipated Program Needs

Priority

Local/Agency

of

Department

of

Management Board

of

Applicant

Agency

Schedule

Department

Parish

Senate District

House District

Site Code

Local/Agency

User
Contact
Phone Number
Fax
E-Mail

Address

City/State/Zip

Department

User
Contact
Phone Number

Management Board

User
Contact
Phone Number

Cost Estimates

Land/Building Acq.
Planning 10%
Construction
Hazardous Materials
Subtotal
Misc./Contingency
Equipment
Total

Local/Agency

Department

Management Board

FPC

Time Estimates

Planning (months)
Construction (months)

If planning has begun, when will it be completed?

Project ID #####
Project Level Agency
AGENCY NAME
AGENCY NUMBER – PROJECT TITLE

CAPITAL OUTLAY REQUEST

FISCAL YEAR 2011-2012

<http://www.state.la.us/ecorts/>
REVISED VERSION

Prior Funding

Page 2

FPC Project No. Assigned to Prior Funding

Sub-project No.

Authorized Means of Financing

Amount

Year

Act#

Priority

Total				

Bond	<input type="checkbox"/>	Credit	<input type="checkbox"/>
Bond	<input type="checkbox"/>	Credit	<input type="checkbox"/>
Bond	<input type="checkbox"/>	Credit	<input type="checkbox"/>
Bond	<input type="checkbox"/>	Credit	<input type="checkbox"/>
Bond	<input type="checkbox"/>	Credit	<input type="checkbox"/>

Proposed New Funding

☐ This project does not require funding in Year 1

State Funds

IAT

*Local Funds

*Reimbursement Bonds

*Fees/Self-Gen. Rev.

*Revenue Bonds

**Statutory Dedications

Federal Funds

Total

	Year 1	Year 2	Year 3	Year 4	Year 5	Total

*Describe specific source of funds

**Type of Statutory Dedication

What fiscal year (FY) was the project or program first submitted for consideration?

Agency Impact Statement

I hereby certify that this project has been reviewed, approved, and integrated into our department's long range strategic plan and five year budget. The impact of this project's operating budget has been approved.

Name

Title

Date

Comments

Project ID #####
Project Level Agency
AGENCY NAME
AGENCY NUMBER – PROJECT TITLE

CAPITAL OUTLAY REQUEST

FISCAL YEAR 2011-2012

<http://www.state.la.us/ecorts/>
REVISED VERSION

Demonstration of Need

Page 4

Title

Description

Location

Project Type

Facility Type

Program /

Service Desc.

Present Empl.

Future Empl.

Citizens Served

Daily Users

Describe the long
range strategic plan
(5-Yr) for the
program

Purpose (Check all that apply)

☐

Expand Existing Pgm

☐

Relocate Existing Pgm

☐

Add New Pgm

☐

Attract Business

☐

Other

☐

Changes in Mission

☐

Changes in Existing

☐

Changes in Population

☐

Generate Employment

☐

Address Actual

☐

Changes in Standards

☐

Promote Economic Dev

☐

Address Code Violations

Applicable Guidelines / Standards

Publications,
regulatory
agencies'
guidelines for
the program

Minimum or NA
mandatory
requirements
for above-listed
program

What alternatives were considered? (check all that apply)

☐

Maintaining Status Quo

☐

New Space

☐

Renovations of Existing Space

☐

Use Existing Space

☐

Less Space

☐

Expansions of Similar Program Elsewhere

How was the best option determined (Studies, Etc.)?

Were feasibility studies or needs assessment reports prepared other than this application?

☐

Yes

Preparer's Name

Phone

List socioeconomic and environmental affects of project

Identify and describe other simliar facilities in your area and evaluate their capabilities to meet needs

Request Endorsed By:

Senator ☐

Rep. ☐

Endorser's Name:

Facility Requirements

Page 5

Prepared By

Date Prepared

Space Requirements:

☐ New Space

☐ Existing Space☐ No Space[illegible]

Employees

Visitors / Clients

Contract Employees

Students / Assistants

Temporary Employees

Others

Describe additional program requirements (parking, Utilities Tie-In, Location, Shipping / Receiving, Public Access, Site Amenities).

What will happen with the existing facility (demolition, remodeled, other program) and funding if needed?

Renovation / Addition

Describe the condition of the building and previous renovations

Describe the extent of the proposed renovation / addition

Describe the location of occupants during renovation and required funding

What amount of the construction budget addresses modifications required to meet the "Americans with Disabilities Act Accessibility Guidelines (ADAAG)"?

Hazardous Materials

What hazardous materials are addressed in the construction budget?

☐ Underground Storage Tanks

☐ PCB's

☐ Lead Paint☐ Asbestos

Other

Enter the date if site has been surveyed for underground storage tanks.

Provide contact information if the facility's asbestos management plan was consulted for abatement requirements.

Contact Name

Phone

Roof

What is the current age, condition, and type of the existing roof and anticipated date of replacements?

Age of Roof (yrs)

Condition

Replacement Date

Type

Describe roof penetrations, equipment, etc.

Construction Cost (cont.)

Page 6

Source of Data

Date Prepared

List special cost affecting factors considered (unfinished warehouse space, extraordinary HVAC, etc.).

Cost of Construction Calculation (Provide COST/S.F. for Roofing Projects)

Type of Space	Net Area	Cost/S.F.	Area Cost
Burden Area			
Total / Average / Total			

Additional Line Item Expenses (Parking, Utility Tie-In, Security System, etc.)

Item	Quantity	Unit Cost	Total
Subtotal of Additional Line Item Expenses			

Subtotal of Additional Line Item Expenses

Total Construction Cost

Equipment Costs

Item	Item Costs
	0
	0
	0
	0
	0
Total Equipment Costs	0

Total Equipment Costs

Check this box if this program is for renovation or relocation of an Existing program and the use of existing equipment discontinued.

If so, explain?

If this project is a current year request, attach an itemized breakdown with unit costs and an estimated useful life of the equipment with final submission to Facility Planning.

Project ID #####
Project Level Agency
AGENCY NAME
AGENCY NUMBER – PROJECT TITLE

CAPITAL OUTLAY REQUEST

FISCAL YEAR 2011-2012

<http://www.state.la.us/ecorts/>
REVISED VERSION

Certification Questionnaire

Page 8

1) What was your budget for capital improvements for the last 3 years?

Current Year Last Year 2 Years Ago

2) What was your undesignated/unreserved general fund balance for the last 3 years?

Current Year Last Year 2 Years Ago

3) What was your designated/reserved general fund balance for the last 3 years?

Current Year Last Year 2 Years Ago

4) What is your ad valorem tax capacity?

Millage Authorized Millage Levied (mills)
When did you last have an election to renew or increase millage?
Did the electors approve or reject the millage renewal or increase? ☐ approve ☐ reject
How much was requested? (mills)

5) What is your local sales tax?

Percent Authorized Percent Levied
When did you last have an election to renew or increase the percent?
Did the electors approve or reject the percent renewal or increase? ☐ approve ☐ reject
How much was requested? (percentage)

6) Have you had an election to obtain voter approval for a bond issue for this or other projects? ☐ yes ☐ no

Did the electors approve or reject the issue? ☐ approve ☐ reject
Do you plan to have an election to obtain voter approval for a bond issue for this or other projects?
☐ yes ☐ no

7) Is this project for which you are requesting state funding the type for which revenue will be generated?

☐ yes ☐ no
(i.e. parking fees; water; sewer or other utility fees; etc.)

If so, please describe the source and projected amount of the revenue.

Source 1	<input type="text"/>	Amount	<input type="text"/>
Source 2	<input type="text"/>	Amount	<input type="text"/>
Source 3	<input type="text"/>	Amount	<input type="text"/>

8) How much do you receive from the Parish Transportation Fund?

Current Year
Last Year
2 Years Ago

9) Have you been approved for or received funding from any other state program for this project? ☐ yes ☐ no

If so, how much and from what source?

Source 1		Source 2	
Agency/Program	<input type="text"/>	Agency/Program	<input type="text"/>
Current Year	<input type="text"/>	Current Year	<input type="text"/>
Last Year	<input type="text"/>	Last Year	<input type="text"/>
2 Years Ago	<input type="text"/>	2 Years Ago	<input type="text"/>
Status	<input type="text"/>	Status	<input type="text"/>
Source 3		Source 4	
Agency/Program	<input type="text"/>	Agency/Program	<input type="text"/>
Current Year	<input type="text"/>	Current Year	<input type="text"/>
Last Year	<input type="text"/>	Last Year	<input type="text"/>
2 Years Ago	<input type="text"/>	2 Years Ago	<input type="text"/>
Status	<input type="text"/>	Status	<input type="text"/>

Project ID #####
Project Level Agency
AGENCY NAME
AGENCY NUMBER – PROJECT TITLE

CAPITAL OUTLAY REQUEST

FISCAL YEAR 2011-2012

<http://www.state.la.us/ecorts/>
REVISED VERSION

Certification Questionnaire (cont)

Page 9

10) Have you been approved for or received funding from any federal program for this project?

☐ yes ☐ no

If so, how much and from what source?

Source 1

Agency/Program

Current Year

Last Year

2 Years Ago

Status

Source 2

Agency/Program

Current Year

Last Year

2 Years Ago

Status

Source 3

Agency/Program

Current Year

Last Year

2 Years Ago

Status

Source 4

Agency/Program

Current Year

Last Year

2 Years Ago

Status

11) Have you been approved for or received funding from any private source for this project?

☐ yes ☐ no

If so, how much and from what source?

Source 1

Agency/Program

Current Year

Last Year

2 Years Ago

Status

Source 2

Agency/Program

Current Year

Last Year

2 Years Ago

Status

Source 3

Agency/Program

Current Year

Last Year

2 Years Ago

Status

Source 4

Agency/Program

Current Year

Last Year

2 Years Ago

Status

12) If not a local government entity, describe the legal status of your entity.

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The above information is certified by:

Name:

--

Title:

--

Contact Person:

--

Date:

--

Phone Number:

--

Capital Outlay Request Review

Below are some of the questions that Capital Outlay staff must answer when they are reviewing the requests that have been submitted.

- Is the request timely? Was it submitted by November 1st?
- Is the request complete? Could the analyst recommend the project based on the information provided?
- Is all of the statutorily required information included?
- Is this a new project or a request for supplemental funding for an existing project? Is all the past funding shown?
- Is this project an emergency project?
- Is this project for new construction or a renovation of an existing facility?
- Is this request feasible?
- For Non-State projects, is the required local match shown? The required match is 25% of the TOTAL project, not just of the State portion.
- Has the project been prioritized?
- What is the justification for this project? Why is it important?

Capital Budget Enactment

- All projects included within any capital outlay act must be proposed, reviewed, and evaluated in accordance with the requirements in R.S. 39:101 and 102 or they are to be declared “null”.
- Any project deemed “not feasible” cannot be included in the Act.
- General Obligation bonding funding of non-state projects is limited to 25% of the cash line of credit capacity in a given year. Non-state projects are those projects not owned and operated by the state except those projects determined by the commissioner of administration to be a regional economic development initiative or regional health care facility operated in cooperation with the state.
- Non-state entity projects require a local match of 25% of the total project cost unless the project is deemed an emergency by the Commissioner of Administration or the entity can demonstrate an inability to provide the match.
- Funds appropriated to non-state entities are administered by the Office of Facility Planning and Control.

If a project does not receive a line of credit by **September 15th**, the requesting entity and the legislator will receive notification from the Office of Facility Planning and Control by October 15th of the need to resubmit a capital outlay request by November 1st. Projects are not automatically resubmitted.

CAPITAL OUTLAY IN THE REVISED STATUTES*

* This section contains excerpted passages from the Revised Statutes and is not intended to be all inclusive of applicable statutes. Boldface type is added for emphasis.

PART III. CAPITAL OUTLAY BUDGET SUBPART A. CAPITAL OUTLAY BUDGET DEVELOPMENT

101. Capital outlay budget request; feasibility studies

A. (1) Except as provided in Paragraph (2) of this Subsection, **no later than the first day of November each year**, the head of each budget unit shall present to the office of facility planning and control of the division of administration a request for all expenditures for **capital projects falling within the definition contained in R.S. 39:2(9)**, on forms provided by the office. **However, if a legislator is finally elected after November first, the legislator shall have until the fifteenth day of December to present such request.** A copy of the request shall also be provided by the head of each budget unit to the Legislative Fiscal Office, the Joint Legislative Committee on Capital Outlay, the House Committee on Appropriations, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate Committee on Revenue and Fiscal Affairs. Such annual requests shall contain the information necessary for the feasibility study required pursuant to Article VII, Section 11(C) of the Constitution of Louisiana and shall include projects proposed to be funded within the next five years.

(2) Projects to be funded by and programs for the expenditure of funds from the Transportation Trust Fund shall be governed by the priority program required by Article VII, Section 27 of the Constitution of Louisiana. Any form for submission together with supporting information and documents for such projects shall constitute the feasibility study required by Article VII, Section 11(C) of the Constitution of Louisiana.

(3) Any project or component of a project funded in a capital outlay act, which is not funded through a cash or non-cash line of credit as approved by the state bond commission or is not under contract in any one fiscal year, shall not be considered in any subsequent year unless a new request is made therefore. Such request shall be submitted as provided in this Section.

B.(I)(a) All officials of political subdivisions, ports, levee districts, and other **non-state entities shall submit their proposed capital projects through the senator and representative in whose district the proposed capital project will be located** on forms provided by the office of facility planning and control. Each legislator shall forward the original request to the office and a copy of the original request to the Legislative Fiscal Office, the Joint Legislative Committee on Capital Outlay, the House Committee on Appropriations, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate Committee on Revenue and Fiscal Affairs, with his recommendation for approval or disapproval or without recommendations.

(b) The request shall contain the signature of either the senator or representative in whose geographic area the project is located, **or a letter specifically endorsing the request.** The signatures and/or letter **shall be required for consideration of the project** by the division of administration.

(c) Such requests and letters of support shall be submitted to the office of facility planning and control no later than the first day of November of each year.

(d) Any form for submission together with the legislative endorsement and other supporting information and documents for such projects **shall contain the information necessary** for the feasibility study required by Article VII, Section 11(C) of the Constitution of Louisiana.

(2) The legislature shall not include funding within the capital outlay act for a project or projects of a non-state entity until such time as the non-state entity has certified to the division of administration that bond funding or other sources of funding sufficient to fund the project or projects is not otherwise available to the non-state entity. The division of administration may promulgate such rules and regulations as are necessary for the implementation of this Paragraph. I However, such rules and regulations shall be approved by the House Committee on Appropriations, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate Committee on Revenue and Fiscal Affairs before they are promulgated.

(3) Repealed by Act No. 1997, No. 3, §8, eff. July 1, 1997.

C. Any legislator desiring the expenditure of state funds for any capital projects falling within the definition contained in R.S. 39:2(9) shall comply with the provisions of this Section.

D.(1) The provisions of Subsection B of this Section shall not be applicable to and shall not be followed with respect to streets, roads, highways, and bridges. The provisions of R.S. 48:228 shall govern in establishing priorities and construction programs for all streets, roads, highways, and bridges within the state and local system. Any street, road, highway, or bridge not in compliance and conformity with the provisions of R.S. 48:228 shall not be included in the capital outlay acts.

(2) The provisions of Subsection B of this Section shall not be applicable to and shall not be followed with respect to any flood control or drainage project. The provisions of R.S. 38:90.1 et seq. shall govern in establishing the priorities for any such projects. Any flood control or drainage project except for watershed program projects not in compliance and conformity with the provisions of R.S. 38:90.1, et seq. shall not be included in the capital outlay acts.

(3) The provisions of this Subsection shall not be applicable to any project which the commissioner of administration determines is an economic development project.

E. Upon receipt of the request required by this Section, the division of administration shall certify the date and time when the request was received.

F. (1) The office of facility planning and control shall assign a project number to each project for which a budget request is received by that office. It shall also assign a project number to projects included in the enrolled version of the capital outlay bill for which a project number has not been previously assigned.

(2) All projects must have a unique project number, and that number must be used to identify a project in all reports required by law.

(3) The office of facility planning and control shall establish a system of categorization of projects requested to be funded through the capital outlay act. The division of administration may promulgate such rules and regulations as are necessary for the implementation of this Paragraph. However, such rules and regulations shall be approved by the House Committee on Appropriations, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate Committee on Revenue and Fiscal Affairs before they are promulgated.

Acts 1989, No. 836, §1, eff. July 1, 1989; Acts 1993, No. 683, §1; Acts 1994, 3rd Ex. Sess., No. 133, §1, July 1, 1994; Acts 1997, No. 3, §8, eff. July 1, 1997; Acts 1997, No. 1346, §1, July 1, 1997; Acts 2001, No. 1032, §13; Acts 2008, No. 911, §1, eff. July 1, 2008.

§102. Capital outlay budget request contents

A. Each request submitted as required by R.S. 39:101 **shall include a detailed project description and justification** for each new project requested.

B. The detailed project description and justification shall include an analysis of need with corroborative data, a reasonable estimate of the date when the project will be needed, the project's proposed location, the estimated construction cost, the cost of equipping and furnishing the project, the space utilization plan of the requesting agency, the cost of opening and operating the facility for the first year, the estimated annual operating and maintenance costs of the facility, and the method and source of financing for each of the next five years, and the estimated completion date of the project as well as an identification and description of other similar facilities and projects in the given area and an evaluation of their capabilities to meet needs. The request shall indicate the order of priority.

C. A detailed project description and justification **shall be prepared in accordance with instructions and procedures published by the division of administration.** Such instructions and procedures shall be published in the State Register at least thirty days prior to the effective date thereof.

Acts 1989, No. 836, §1, eff. July 1, 1989; Acts 1994, 3rd Ex. Sess., No. 133, §1, eff. July 1, 1994.

§103. Standards for capital projects and evaluations

A. (1) The office of facility planning and control or the division of administration shall establish standards for capital projects which shall include but not be limited to criteria of requirements for:

- (a) Allocation of space.
- (b) Design and construction according to anticipated use.

(c) Determination of the economic feasibility of remodeling buildings, purchasing older buildings, or leasing space.

(d) Utilization or disposition of buildings being replaced.

(e) Standards and procedures for determining the feasibility of projects as required by Article VII, Section 11(C) of the Constitution of Louisiana.

(f) Standards for architectural programs.

(2) The standards established by the commissioner of administration shall be published in the state register at least thirty days prior to the effective date thereof.

B.(1) Except as provided in Paragraph (2) of this Subsection, the office of facility planning and control shall timely analyze and evaluate requested capital projects including compliance with the provisions of R.S. 39:101 and 102, the standards required by Subsection A and long-range policies and goals established by the legislature and the governor.

(2) Projects and programs for the expenditure of funds from the Transportation Trust Fund shall be analyzed and evaluated pursuant to the priority programs required by Article VII, Section 27 of the Constitution of Louisiana. The Joint Committee on Transportation, Highways and Public Works shall approve the respective priority programs no later than the last day for introduction in either house of the legislature of a matter intended to have the effect of law.

(3) The office of facility planning and control shall establish a system for comparatively evaluating projects based on the feasibility and merits of projects and shall annually establish a priority ranking of projects. The division of administration may promulgate such rules and regulations as are necessary for the implementation of this Paragraph. However, such rules and regulations shall be approved by the House Committee on Appropriations, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate Committee on Revenue and Fiscal Affairs before they are promulgated.

Acts 1989, No. 836, §1, eff. July 1, 1989; Acts 1994, 3rd Ex. Sess., No. 133, §1, eff. July 1, 1994; Acts 2008, No. 911, §1, eff. July 1, 2008.

SUBPART B. CAPITAL OUTLAY BUDGET ENACTMENT

§111. Capital outlay budget submission

Not later than the eighth day of each regular session, the governor shall submit to the legislature his capital outlay budget, the proposed capital outlay bill implementing the first year of the live-year program, and the bond authorization bill for the sale of bonds to fund projects included in the bond portion of the capital outlay bill.

Acts 1989, No. 836, §1, eff. July 1, 1989; Acts 2008, No. 911, §1, eff. July 1, 2008.

§112. Capital outlay act

A. The legislature shall enact into law a capital outlay bill which shall incorporate the first year of the five-year capital outlay program as provided in Article VII, Section 11(C) of the Constitution of Louisiana. The capital outlay act shall include appropriation of funds from specified sources, including proceeds of bonds, for capital projects to be expended during the next fiscal year.

B. **All projects included within any capital outlay act, under penalty of nullity, shall have been proposed, reviewed, and evaluated in accordance with the requisites contained in Subpart A of this Part.** The office of facility planning and control shall make the determination as to compliance with Subpart A of this Part and shall report those findings to the Joint Legislative Committee on Capital Outlay, the House Committee on Appropriations, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate Committee on Revenue and Fiscal Affairs.

C.(1) Capital outlay budget requests submitted after November first may be included within the capital outlay act if the capital outlay budget request meets all of the applicable requirements as provided in R.S. 39:101 and 102 except for time of submission and if any of the following conditions have been met:

(a) The project is an economic development project recommended in writing by the secretary of the Department of Economic Development.

(b) The project is an emergency project recommended in writing by the commissioner of administration.

(c) The project is for a non-state entity, has a total project cost of less than one million dollars, and has been approved by the Joint Legislative Committee on Capital Outlay; however, no action to approve any such project may be taken by the Joint Legislative Committee on Capital Outlay after the first day of February.

(2) For purposes of this Section, "economic development" means the following:

(a) Improvements on public or government owned property for the purposes of attracting or retaining a specific new or existing manufacturing or business operation that benefits Louisiana.

(b) Facilities or improvements on public or government owned property that generate new, permanent employment or which help retain existing employment.

(c) **Facilities or infrastructure improvements on public or government owned property necessary for the manufacturing plant or business to operate.**

(d) **For purposes of this Subsection, "emergency" means essential to alleviate conditions that are hazardous to life, health or property, and court mandates.**

D. Any project deemed not feasible after evaluation of the feasibility study required pursuant to Article VII, Section 11(C) of the Constitution of Louisiana shall not be included with the capital outlay act. The office of facility planning and control shall submit a report to the Joint Legislative Committee on Capital Outlay, the House Committee on Appropriations, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate Committee on Revenue and Fiscal Affairs detailing its findings and evaluation of any project deemed not feasible. Such report shall be submitted no later than twenty days after the determination that the project is deemed not feasible.

E. (I) General obligation bond funding of non-state projects shall be limited to no more than twenty-five percent of the cash line of credit capacity for projects in any fiscal year. Non-state projects are those projects not owned and operated by the state except those projects determined by the commissioner of administration to be a regional economic development initiative or regional health care facility operated in cooperation with the state.

(2) Non-state entity projects shall require a match of not less than twenty-five percent of the total requested amount of funding except:

(a) A project deemed by the commissioner of administration to be an emergency project.

(b) A project of a non-state entity which has demonstrated its inability to provide a local match. The division of administration shall promulgate rules establishing a needs-based formula for determining the inability of a non-state entity to provide the required local match. However, such rules shall be approved by the House Committee on Appropriations, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate Committee on Revenue and Fiscal Affairs before they are promulgated.

F. The general obligation bond cash line of credit capacity shall be limited to two hundred million dollars annually adjusted for construction inflation from 1994. This limit shall only be raised by a favorable vote of two-thirds of the elected members of each house of the legislature.

G. (1) Projects to be funded through the sale of bonds and secured by or payable from state appropriation shall either be included in the capital outlay act or shall obtain legislative approval as set forth in this Subsection.

(2) Projects to be funded through the sale of bonds and secured by or payable from state appropriation shall be included in a separate section of the capital outlay act entitled "appropriated debt projects".

(3) Appropriated debt projects not included in the annual capital outlay act may be considered between sessions by submission of those projects by the division of administration to the Interim Emergency Board, and approval by a majority vote of the elected members of each house of the legislature in the manner provided for in Chapter 3-B of Subtitle I of Title 39 of the Louisiana Revised Statutes of 1950.

(4) After obtaining legislative approval as set forth in this Subsection, requests to sell bonds shall be submitted to the State Bond Commission for review and approval.

(5) The division of administration may promulgate such rules and regulations as are necessary for the implementation of this Subsection. However, such rules and regulations shall be approved by the House Committee on Appropriations, the House Committee on Ways and Means, the Senate Committee on Finance, and the Senate Committee on Revenue and Fiscal Affairs before they are promulgated.

Acts 1989, No. 836, §1, eff. July 1, 1989; Acts 1994, 3rd Ex. Sess., No. 133, §1, eff. July 1, 1994; Acts 1997, No. 1346, §§1, 2, eff. July 1, 1997; Acts 2008, No. 911, §1, eff. July 1, 2008.

§ I 13. Appropriations

A. All funds from whatever the source for state projects approved under the provisions of this Part shall be appropriated to the office of facility planning and control of the division of administration. This requirement shall not apply to appropriations made to the Department of Transportation and Development for highway or public works projects, the Military Department, or the legislature.

B. All of the funds appropriated to state port commissions or districts, to authorities created by the legislature, to political subdivisions of the state, or to local governing authorities shall be administered by the office of facility planning and control of the division of administration under cooperative endeavor agreements.

Acts 1989, No. 836, §1, eff. July 1, 1989; Acts 2008, No. 911, §1, eff. July 1, 2008.

§115. Notice requirements

A. The office of facility planning and control shall send notice to all non-state entities of the need to resubmit a capital outlay budget request for projects that do not receive a line of credit for the total amount of bond proceeds authorized in the capital outlay act for that fiscal year. The notice shall list all of the non-state entity's projects which have not received lines of credit prior to September fifteenth of the year for which notice is sent to the non-state entity.

B. The office of facility planning and control shall also send a notice of the need to resubmit a capital outlay budget request to each state representative and state senator who has any project in his geographic area that did not receive a line of credit for the total amount of bond proceeds authorized in the capital outlay act for that year. The notice shall list all of the projects in the representative's or senator's geographic area which have not received lines of credit prior to September fifteenth of the year for which notice is sent to the representative or senator.

C. All notices required under this Section shall be sent by the office of facility planning and control between September fifteenth and October fifteenth of each year. Acts 2001, No. 464, §1, eff. June 21, 2001; Acts 2008, No. 911, § 1, eff. July 1, 2008.

SUBPART C. CAPITAL OUTLAY BUDGET EXECUTION

§121. Division of administration powers, duties, and functions

The division of administration in accordance with the provisions of R.S. 39:1410 in order to exercise supervision over the expenditure of funds and the construction projects, shall specifically:

- (1) Have the authority to administer and enforce the provisions of the capital outlay budget adopted by the legislature;
- (2) Formulate necessary rules, regulations, and forms for proper enforcement of the capital outlay budget;
- (3) Expend the remaining funds for the construction of buildings, structures, and other projects, wherever needed, including the construction, enlargement, improvement, repair, remodeling, furnishing, or equipping of public buildings, structures, facilities, and other physical improvements at the charitable, correctional, penal, and other institutions of the state of Louisiana, and for the development, improvement, and expansion of state parks and recreational facilities of the state of Louisiana, including surveys, plans, and specifications and acquisition of any land required to carry out the purpose of existing law with the approval of a majority of the elected members of both houses of the legislature;
- (4) Supervise construction, approve estimates, and select and employ engineers, architects, and other personnel necessary in connection with the administration of contracts for projects;
- (5) Administer all contracts and agreements previously executed by the Capital Construction and Improvement Commission, or by the State Bond Commission, as its successor;
- (6) Enter into and execute any contracts that the State Bond Commission was authorized to enter into and execute as successor to the Capital Construction and Improvement Commission; and
- (7) Schedule the funding of projects in the event that there are more projects ready for funding than there are funds available at that time from the proceeds of the sale of bonds if such bonds are not sold at one time.

§122. Commencement of work

A. No work shall commence and no contract shall be entered into for any project contained in the capital outlay act unless and until funds are available from the cash sources indicated in the act or from the sale of bonds or from a line of credit approved by the State Bond Commission, except contracts for Department of Transportation and Development projects which are subject to the provisions of R.S. 48:251(D). The Joint Legislative Committee on Capital Outlay shall make recommendations to the commissioner of administration concerning the non-state entity projects to be granted lines of credit. The commissioner of administration shall submit to the Joint Legislative Committee on Capital Outlay a list of projects that will be submitted to the State Bond Commission for lines of credit a minimum of five days prior to the submission to the State Bond Commission.

B.(1) Ports, levee districts, and other non-state entities shall wait until there is a fully executed cooperative endeavor agreement and final approval has been given by the facility planning and control section of the division of administration, the Department of Transportation and Development, or the state treasurer, whichever is applicable, before entering into contracts obligating state funds.

(2) If a port, levee district, or other non-state entity, enters into a contract, executes a purchase order or otherwise attempts to obligate any funds to be reimbursed by the state without first fully complying with the provisions of this Section, any obligation resulting therefrom shall remain the sole responsibility of the port, levee district, or non-state entity, and the contract or purchase order or other obligation shall not be eligible for reimbursement or payment by the state.

Acts 1989, No. 836, §1, eff. July 1, 1989; Acts 1997, No. 1346, §1, eff. July 1, 1997; Acts 1998, 1st Ex. Sess., No. 161, §2, eff. May 7, 1998; Acts 2008, No. 911, § 1, eff. July 1, 2008.

§126. Change orders

The prior approval of the Joint Legislative Committee on the Budget is required for one or more change orders that cause an excess in the aggregate of one hundred thousand dollars per month for a project undertaken pursuant to an appropriation in the Capital Outlay Act In addition, a change order for a project undertaken pursuant to this Part shall also be subject to the approval of the commissioner of administration. Any change order in excess of fifty thousand dollars but less than one hundred thousand dollars shall be submitted to the Joint Legislative Committee on the Budget for review but shall not require committee approval.

Acts 1989, No. 836, §1, eff. July 1, 1989; Acts 1997, No. 924, §1, eff. July 1, 1997; Acts 2008, No. 859, § 1; Acts 2014, No. 748, § 2.